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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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Mark Thompson

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EXAMINER

ALI, HATEM M

ART UNIT

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PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

<b>Office Action Summary</b>	<b>Application No.</b> 09/971,726	<b>Applicant(s)</b> THOMPSON, MARK	
	<b>Examiner</b> HATEM ALI	<b>Art Unit</b> 3692	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 12 January 2009.
- 2a) ☒ This action is **FINAL**.                      2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-16 and 30-38 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-16 and 30-38 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)            | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)   | Paper No(s)/Mail Date. _____                                      |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date <u>1/25/02</u> .   | 6) <input type="checkbox"/> Other: _____                          |

### DETAILED ACTION

1. The following is **an office action** in response to the communication received on **1/12/2009**.

2. Claim status:

- ❖ Claims **amended**: **1, 3, 6, and 9**
- ❖ Claims **pending**: **1-16, and 30-38**

#### *Claim Objections*

3. **Claims 1, 6, 9, 11** objected to because of the following informalities: The citation with amended phrases, "**via a computer**" is not proper. It could be "by a computer". So, appropriate correction is required.

#### *Claim Rejections - 35 USC § 112*

4. **Claims 1, 3, 6, 9, and 11** recite the limitation "**a computer**" in lines 6, 2, 2, 3 and 3 respectively. There is insufficient antecedent basis for this limitation in the claim. Proper correction is required.

#### *Claim Rejections - 35 USC § 101*

5. **35 U.S.C. 101 reads as follows:**

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

**Claims 1-16** are rejected under 35 U.S.C. 101. Based on Supreme Court precedent and recent Federal Circuit decisions, the Office's guidance to examiners is that a § 101 process must (1) be tied to a machine or (2) transform underlying subject matter (such as an article or materials) to a different state or thing. In re **Bilski** et al, 88 USPQ 2d 1385 CAFC (2008); *Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780,787-88 (1876).

An example of a method claim that would not qualify as a statutory process would be a claim that recited purely mental steps. Thus, to qualify as a § 101 statutory process, the claim should positively recite the other statutory class (the thing or product) to which it is tied, for example by identifying the apparatus that accomplishes the method steps, or positively recite the subject matter that is being transformed, for example by identifying the material that is being changed to a different state.

Here, applicant's method steps fail the first prong of the new Federal Circuit decision since they are not tied to a machine and can be performed without the use of a particular machine. Thus, **claims 1-16** are non-statutory since they may be performed within the human mind.

The mere recitation of the machine in the preamble with an absence of a machine in the body of the claim fails to make the claim statutory under 35 USC 101.

**Insignificant extra-solution activity will not transform an unpatentable principle into a patentable process (see John Love, Deputy Commissioner for Patent Examination Policy, memorandum Jan. 7, 2009).**

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Note the Board of Patent Appeals Informative Opinion Ex parte Langemyer et al-  
[http://iplaw.bna.com/iplw/5000/split\\_display.adp?fedfid=10988734&vname=ippqcases2  
&wsn=500826000&searchid=6198805&doctypeid=1&type=court&mode=doc&split=0&scm=5000&pg=0](http://iplaw.bna.com/iplw/5000/split_display.adp?fedfid=10988734&vname=ippqcases2&wsn=500826000&searchid=6198805&doctypeid=1&type=court&mode=doc&split=0&scm=5000&pg=0)

### ***Claim Rejections - 35 USC § 103***

6. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

7. **Claims 1-16 and 30-38** are rejected under 35 U.S.C. 103 (a) as being unpatentable over ***Buchanan*** et al (7,216,106) in views of ***Funk*** (5,832,463).

**As per claim 1, *Buchanan*** discloses a method for processing a financial instrument, the method comprising:

crediting, the presenter for funds in accordance with the financial instrument (col.3, lines 42-57; via checks credited to the depositing individual's or organization's bank account).

***Buchanan*** fails explicitly to disclose the step of crediting, via a computer, and receiving, at a computer, an electronic package defining an image of the financial instrument at a first institution from a presenter, the image having been generated as part of a transaction at a point of sale.

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However, **Funk** being in the same field of invention discloses the step of crediting, via a computer and receiving, at a computer, an electronic package defining an image of the financial instrument at a first institution from a presenter, the image having been generated as part of a transaction at a point of sale (see **Abstract** , **col.4**, lines 3-20 and claim 1; **via** image capturing device **204**, computer terminal **209**, database **207** at automated point-of-sale[**POS**] system generating image of check for checkless transaction system).

Therefore, it would have been obvious to an ordinary skill in the art at the time of invention was made to modify the features mentioned by **Buchanan** to include the disclosures as taught by **Funk** to facilitate electronically Check transaction with different devices including imaging device reducing total time and cost for check processing transaction.

**As per claim 2, Buchanan** discloses that the electronic package comprises the image (**col.2**, lines 10-21; via collection of funds by processing electronic images of items implied electronic package of images for clearing checks).

**As per claim 3, Buchanan** discloses the image is stored at a location within a depository, wherein the depository is comprised of a computer, and the electronic package comprises a reference to the location (**col.2**, lines 34-59; via the financial institution **computer** verifies ... stores the image of the item ... unique number information back and forth [line **47**] as reference number implying any location on the list at the depository on the remote site processor).

**As per claims 4 and 5, *Buchanan*** discloses that the first institution comprises a financial institution or a bank (**col.7, Fig.1**; via a bank of first deposit **101**).

**As per claims 6, 7 and 8, *Buchanan*** discloses the method further comprising: transmitting, the electronic package to a second institution wherein the second institution comprises a clearing institution and wherein the clearing institution comprises a reserve institution for recovery of the funds (**col.8**, lines 26-31 and **Fig.2**; via Maker bank [2<sup>nd</sup> institution] site with **FRB 107**).

**As per claim 9, *Buchanan*** discloses the method, wherein the second institution comprises a drawee financial institution, and further identifying, the drawee financial institution from the electronic package (**col.3**, lines 4-22; via complete deposit data [electronic package] used by central site of collection center for deposit from other institutions [maker bank - 2<sup>nd</sup> institution]).

**As per claim 10, *Buchanan*** discloses the first institution comprises a clearing institution (**Fig.2**, maker bank site **199** with **107**).

**A per claim 11, *Buchanan*** further discloses the method, wherein crediting the presenter comprises provisionally crediting an account of the presenter and releasing the credited funds after recovery of the funds (**col.3**, lines 42-57; via the system includes **computer** hardware, software ... methodology that enables individuals ... to capture ... deposit information ... for the purpose of having those checks credited to the depositing individual's bank account ... entered into the bank check clearing channels for ultimate delivery to the maker bank for payment out of the maker's account implied releasing after recovery of the fund).

**A per claim 12-13, *Buchanan*** discloses the first institution comprises a drawee financial institution identified by the financial instrument and the presenter comprises a clearing institution (**col.7**, lines 11-32; via a bank of first deposit **101** receives a check from the bearer [presenter] information includes maker bank account number and through **FB** check clearing processes).

**As per claim 14, *Buchanan*** discloses the image is encrypted, the method further comprises decrypting the image (**col.32-45**; via check images stored and encryption to ensure privacy).

**As per claims 15-16, *Buchanan*** discloses that the financial instrument comprises a check and a credit-card sales slip (**col.1**, lines 24-25; via the act of depositing or otherwise converting a financial instrument such as a check, draft, or other instrument [such as credit-card sales slip] has generally required the physical presentment of the instrument and **col.2**, lines, 44-45; via checks and deposit records or electronic information without the use of paper items).

**As per claims 30 and 34, *Buchanan*** discloses a computer-readable storage medium having a computer-readable program embodied therein for directing operation of a computer system for a first institution (**Fig.1**, a bank of first deposit **101**), the computer system including a communications system, a processor, and a storage device, wherein the computer-readable program includes instructions for operating the computer system to process a financial instrument (**col.5 & 6**, lines 50-67 and 1-65 respectively) in accordance with the following:



crediting an account of the presenter for funds in accordance with the financial instrument (**col.3**, lines 50-55; credited to the depositing individual's account inherently after recovery of funds to change provisional).

**Buchanan** fails explicitly to disclose the step of receiving an electronic package defining an image of the financial instrument at a first institution from a presenter, the image having been generated as part of a transaction at a point of sale.

However, **Funk** being in the same field of invention discloses the step of receiving an electronic package defining an image of the financial instrument at a first institution from a presenter, the image having been generated as part of a transaction at a point of sale (see **Abstract**, **col.4**, lines 3-20 and claim 1; **via** image capturing device **204**, computer terminal **209**, database **207** at automated point-of-sale [POS] system generating image of check for checkless transaction system).

Therefore, it would have been obvious to an ordinary skill in the art at the time of invention was made to modify the features mentioned by **Buchanan** to include the disclosures as taught by **Funk** to facilitate electronically Check transaction with different devices including imaging device reducing total time and cost for check processing transaction.

**As per claims 31 and 35**, **Buchanan** discloses the computer-readable program further includes instructions for transmitting the image of the financial instrument to a second institution for recovery of the funds (**col.6**, lines 1-2 and **col.7**, lines 10-32; via computer readable media and step **118** into a maker bank **108** for collection of funds).

**Claims 32 and 36**, are rejected as per the reasons set forth in **claim 3**

**Claims 33 and 38**, are rejected as per the reasons set forth in **claim 15**

**As per claim 37, *Buchanan*** discloses the financial instrument is adopted for connection with the Internet (**col.2**, lines 32-3; via financial institution over telecommunication lines such as Internet etc.).

### ***Response to Arguments***

8. **Applicant's** arguments with respect to **claims 1-16** and **30-38** have been considered but are **moot** in view of the new ground(s) of rejection.

Moreover, as it is understood, all references are to be considered as a whole and all references are cited to teach and suggest the concept of invention, but not the complete invention applied for.

### ***Conclusion***

9. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any

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extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

10. Any inquiry concerning this communication or earlier communications from the examiner should be directed to HATEM ALI whose telephone number is (571)270-3021. The examiner can normally be reached on 8.00 to 6.00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Kambiz Abdi can be reached on 571-272-6702. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Harish T Dass/  
Primary Examiner, Art Unit 3692

Hatem Ali  
Examiner  
Art Unit 3692

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